



Half Year Financial Results for FYE 3/2008 (Consolidated)

October 29, 2007

Name of listed company : TERUMO CORPORATION
 (URL http://www.terumo.com/)
 Company code number : 4543
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Exchange where listed: TSE

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Adoption of U.S. accounting standards [Yes/No] : No
 Filing date of semi annual financial statements : December 27, 2007
 Payment date of cash dividends : December 10, 2007

1. Consolidated Financial Highlights for the interim period ended September 2007 (From April 1, 2007 to September 30, 2007)

(1) Consolidated financial results (Note: The amounts shown below ignore values of less than a million yen)

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
September 2007	150,835	13.7	33,531	17.1	33,953	16.9
September 2006	132,669	10.7	28,636	14.5	29,057	14.8
March 2007	276,439	-	58,455	-	58,025	-

	Net income		Net income per share	Net income per share, fully diluted
	(Millions of yen)	%	(Yen)	(Yen)
September 2007	22,931	24.4	115.85	-
September 2006	18,430	13.0	90.78	-
March 2007	37,232	-	185.00	-

(Note) 1. Equity in earnings of unconsolidated companies:

September 2007: 20 million yen, September 2006: 85 million yen, March 2007: 135 million yen

2. The Percentages shown next to net sales, operating profit, ordinary profit and net income represent year-on-year changes.

(2) Consolidated financial position (Note: The amounts shown below ignore values of less than a million yen)

	Total assets	Net assets	Capital asset ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
September 2007	418,099	298,981	71.5	1,522.74
September 2006	368,385	289,466	78.6	1,425.53
March 2007	367,147	289,248	78.8	1,454.71

(3) Consolidated statements of cash flows (Note: The amounts shown below ignore values of less than a million yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
September 2007	33,454	(13,867)	19,191	82,236
September 2006	20,865	(9,326)	(4,976)	54,708
March 2007	43,123	(19,917)	(28,637)	43,049

2. Dividends

	Cash dividends per share		
	at 1st half end	at fiscal half end	total
FY2006	(Yen) 12.00	(Yen) 16.00	(Yen) 28.00
FY2007	14.00		28.00
FY 2007 (forecast)		14.00	

3. Consolidated forecast for the year ending March 2008 (From April 1, 2007 to March 31, 2008)

	Net sales	Operating income	Ordinary income	Net income
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Year ended March, 2008	305,000	65,000	65,000	42,000

(N.B.) Estimated earnings per share (full year): 213.07 yen

4.Others

(1)Significant change in scope of consolidation :None

(2)Change in accounting policies

- ①Changes due to changes in accounting standard :Yes
- ②Other changes :None

(3)Number of shares issued

①Number of shares issued at end of the period (including treasury stocks)

:September 2007: 210,876,260 shares, September 2006: 210,876,260 shares
March 2007: 210,876,260 shares

②Number of treasury shares at end of the period

:September 2007 14,593,322 shares, September 2006 7,853,545 shares
March 2007 12,087,654 shares

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements.
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5. Semiannual Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	Interim year ended September 2006 (As of September 30, 2006)		Interim year ended September 2007 (As of September 30, 2007)		Year ended March 2007 (As of March 31, 2007)	
	Amount		Amount		Amount	
		%		%		%
(Assets)						
I Current Assets	177,622	48.2%	215,597	51.6%	171,576	46.7%
Cash on hand and in banks	55,407		85,138		44,536	
Trade notes/accounts receivable	66,969		70,765		70,049	
Inventories	43,697		48,159		45,631	
Deferred income taxes - current	8,508		7,340		7,519	
Other current assets	3,945		5,113		4,733	
Allowance for doubtful accounts	(905)		(919)		(894)	
II Fixed Assets	190,762	51.8%	202,501	48.4%	195,570	53.3%
1. Tangible fixed assets	112,637	30.6%	115,893	27.7%	115,643	31.5%
Buildings and structures	43,190		46,165		45,092	
Machinery and transportation equipment	30,569		36,249		32,004	
Land	20,334		20,308		20,296	
Construction in progress	11,294		6,226		11,493	
Other tangible fixed assets	7,248		6,942		6,756	
2. Intangible fixed assets	41,370	11.2%	39,348	9.4%	40,524	11.1%
Goodwill	35,598		34,039		35,046	
Other intangible fixed assets	5,771		5,308		5,477	
3. Investments and other fixed assets	36,754	10.0%	47,259	11.3%	39,402	10.7%
Investments in securities	31,618		43,268		34,802	
Deferred income taxes - noncurrent	2,640		1,461		1,920	
Other assets	2,495		2,529		2,679	
Total Assets	368,385	100.0%	418,099	100.0%	367,147	100.0%

(Millions of yen)

	Interim year ended September 2006 (As of September 30, 2006)		Interim year ended September 2007 (As of September 30, 2007)		Year ended March 2007 (As of March 31, 2007)	
	Amount		Amount		Amount	
		%		%		%
(Liabilities)						
I Current Liabilities	64,000	17.4%	105,419	25.2%	65,891	17.9%
Trade notes/accounts payable	22,713		25,281		25,725	
Short-term bank loans	1,886		35,230		236	
Accrued Income taxes	10,656		14,522		8,694	
Reserve for employees bonuses	4,402		4,549		4,433	
Reserve for directors bonuses	-		82		169	
Notes and accounts payable on equipment	5,192		4,727		5,906	
Other current liabilities	19,148		21,024		20,726	
II Long-term Liabilities	14,918	4.0%	13,699	3.3%	12,007	3.3%
Long-term debt	-		427		436	
Deferred income taxes - noncurrent	107		3,501		1,651	
Reserve for retirement allowance	11,677		5,787		6,506	
Reserve for retirement benefits for directors and corporate auditors	728		728		728	
Other long-term liabilities	2,404		3,254		2,683	
Total Liabilities	78,919	21.4%	119,118	28.5%	77,899	21.2%
(Net assets)						
I Shareholders' equity	283,127	76.9%	286,631	68.6%	279,507	76.1%
Capital stock	38,716		38,716		38,716	
Capital surplus	59,030		59,030		59,030	
Retained earnings	198,848		234,965		215,213	
Treasury stock	(13,468)		(46,080)		(33,453)	
II Evaluation difference and foreign currency exchange adjustments	6,287	1.7%	12,256	2.9%	9,672	2.7%
Evaluation difference of investment securities	7,058		11,386		8,947	
Gain/Loss on deferred hedge	(0)		-		-	
Foreign currency translation adjustments	(770)		870		725	
III Minority interests	51	0.0%	93	0.0%	68	0.0%
Total net assets	289,466	78.6%	298,981	71.5%	289,248	78.8%
Total liabilities, net assets	368,385	100.0%	418,099	100.0%	367,147	100.0%

(2) Consolidated Statement of Income

(Millions of yen)

	Interim year ended			Interim year ended			Year ended		
	September 2006			September 2007			March 2007		
	Amount		%	Amount		%	Amount		%
I Net sales	132,669		100.0%	150,835		100.0%	276,439		100.0%
II Cost of sales	59,418		44.8%	67,981		45.1%	123,112		44.5%
Gross Profit on Sales	73,250		55.2%	82,854		54.9%	153,326		55.5%
III Selling, General and Administrative Expenses	44,613		33.6%	49,322		32.7%	94,871		34.3%
Operating Profit	28,636		21.6%	33,531		22.2%	58,455		21.2%
IV Non-operating Income									
Interest income	284			572			719		
Dividend income	163			238			261		
Royalties	46			46			53		
Foreign exchange profit	365			-			628		
Equity in earnings of unconsolidated companies	85			20			135		
Other non-operating income	301	1,246	0.9%	370	1,247	0.8%	708	2,506	0.9%
V Non-operating Expenses									
Interest expenses	87			111			165		
Sales discount	180			249			451		
Foreign exchange losses	-			137			-		
Loss on disposal of inventories	128			108			1,241		
Other non-operating expenses	429	826	0.6%	218	826	0.5%	1,077	2,936	1.1%
Ordinary Profit	29,057		21.9%	33,953		22.5%	58,025		21.0%
VI Extraordinary Profit									
Gain on sales of fixed assets	42			1			43		
Reversal of allowance for doubtful accounts	22			11			-		
Gain on relating to acquisition of newly affiliated company	-	65	0.0%	1,059	1,073	0.7%	-	43	0.0%
VII Extraordinary Losses									
Loss on disposal of fixed assets	57			131			195		
Loss on restructuring in overseas	-			-			60		
Directors' retirement fee	12			-			12		
Provision of allowance for retirement benefits for directors and corporate auditors.	728	798	0.6%	-	131	0.1%	728	996	0.4%
Income Before Taxes	28,324		21.3%	34,895		23.1%	57,072		20.6%
Corporate, Inhabitant and Enterprise Taxes	9,385			11,156			17,002		
Deferred Taxes (reduction)	504	9,890	7.4%	788	11,945	7.9%	2,821	19,824	7.1%
Minority Interest Income (loss) of consolidated companies	2		0.0%	18		0.0%	16		0.0%
Net Income for the Period	18,430		13.9%	22,931		15.2%	37,232		13.5%

(3) Statement of changes in net assets

(Millions of yen)

Interim year ended September 2006	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total
Beginning of period	38,716	59,030	183,391	(13,449)	267,689
Changes during the interim accounting period					
Delivery of dividends			(2,842)		(2,842)
Directors' bonuses			(132)		(132)
Net income for the period			18,430		18,430
Acquisition of treasury stock				(19)	(19)
Changes of items other than capital stock (net)					
Total changes during the interim accounting period	-	-	15,456	(19)	15,437
Ending of period	38,716	59,030	198,848	(13,468)	283,127

	Evaluation difference and foreign currency exchange adjustments				Minority interests	Net assets total
	Evaluation difference of investment securities	Gain/Loss on deferred hedge	Foreign currency translation adjustments	Evaluation difference and foreign currency exchange adjustments total		
Beginning of period	7,367	-	(1,747)	5,619	49	273,359
Changes during the interim accounting period						
Delivery of dividends						(2,842)
Directors' bonuses						(132)
Net income for the period						18,430
Acquisition of treasury stock						(19)
Changes of items other than capital stock (net)	(308)	(0)	977	668	1	669
Total changes during the interim accounting period	(308)	(0)	977	668	1	16,106
Ending of period	7,058	(0)	(770)	6,287	51	289,466

(Millions of yen)

Interim year ended September 2007	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total
Beginning of period	38,716	59,030	215,213	(33,453)	279,507
Changes during this interim accounting period					
Delivery of dividends			(3,180)		(3,180)
Net income for the period			22,931		22,931
Acquisition of treasury stock				(12,627)	(12,627)
Changes of items other than capital stock (net)					
Total changes during the interim accounting period	-	-	19,751	(12,627)	7,123
Ending of period	38,716	59,030	234,965	(46,080)	286,631

	Evaluation difference and foreign currency exchange adjustments			Minority interests	Net assets total
	Evaluation difference of investment securities	Foreign currency translation adjustments	Evaluation difference and foreign currency exchange adjustments total		
Beginning of period	8,947	725	9,672	68	289,248
Changes during the interim accounting period					
Delivery of dividends					(3,180)
Net income for the period					22,931
Acquisition of treasury stock					(12,627)
Changes of items other than capital stock (net)	2,439	144	2,584	24	2,609
Total changes during the interim accounting period	2,439	144	2,584	24	9,732
Ending of period	11,386	870	12,256	93	298,981

(Millions of yen)

Year ended March 2007	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total
Beginning of period	38,716	59,030	183,391	(13,449)	267,689
Changes during the accounting period					
Delivery of dividends			(5,278)		(5,278)
Directors' bonuses			(132)		(132)
Net income for the period			37,232		37,232
Acquisition of treasury stock				(20,004)	(20,004)
Changes of items other than capital stock (net)					
Total changes during the accounting period	-	-	31,821	(20,004)	11,817
Ending of period	38,716	59,030	215,213	(33,453)	279,507

	Evaluation difference and foreign currency exchange adjustments			Minority interests	Net assets total
	Evaluation difference of investment securities	Foreign currency translation adjustments	Evaluation difference and foreign currency exchange adjustments total		
Beginning of period	7,367	(1,747)	5,619	49	273,359
Changes during the accounting period					
Delivery of dividends					(5,278)
Directors' bonuses					(132)
Net income for the period					37,232
Acquisition of treasury stock					(20,004)
Changes of items other than capital stock (net)	1,580	2,472	4,052	18	4,071
Total changes during the accounting period	1,580	2,472	4,052	18	15,888
Ending of period	8,947	725	9,672	68	289,248

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
I Cash flows from operating activities			
Income before taxes	28,324	34,895	57,072
Depreciation and amortization	6,952	8,100	14,340
Amortization of goodwill	590	591	1,173
Equity in earnings of unconsolidated companies	(85)	(20)	(135)
Increase(decrease) in retirement allowance	(494)	(718)	(669)
Increase(decrease) in allowance for doubtful accounts	(27)	15	(53)
Increase(decrease) in reserve for directors bonuses	-	(86)	169
Interest and dividend income	(447)	(810)	(980)
Interest expenses	87	111	165
Foreign exchange losses (gains)	140	220	560
Loss on disposal of tangible fixed assets	57	131	195
Gain on sales of tangible fixed assets	(42)	(1)	(43)
Payment Cash contribution of securities to retirement benefits	-	-	(5,000)
Gain on relating to acquisition of newly affiliated company	-	(1,059)	-
Decrease(increase) in accounts receivable	(2,351)	(259)	(4,471)
Decrease(increase) in inventories	(2,274)	(2,277)	(3,080)
Increase(decrease) in accounts payable	(1,605)	(962)	665
Directors' bonuses	(132)	-	(132)
Others	1,926	40	2,206
Subtotal	30,618	37,909	61,982
Interest and dividend received	546	889	1,116
Interest paid	(87)	(41)	(165)
Income taxes paid	(10,213)	(5,303)	(19,810)
Cash flows from operating activities	20,865	33,454	43,123
II Cash flows from investing activities			
Payments into time deposits	(698)	(2,777)	(1,487)
Proceeds from time deposits	-	1,364	-
Payments for acquisition of tangible assets	(8,641)	(8,958)	(17,202)
Proceeds from sales of tangible assets	141	1	191
Payments for acquisition of intangible assets	(126)	(238)	(447)
Payments for acquisition security investments	(1)	(4,259)	(2)
Redemption of security investments	-	1,000	-
Proceeds from Assignment of goodwill	-	-	40
Payments for Assignment of goodwill	-	-	(799)
Payments for acquisition of newly consolidated subsidiary	-	-	(209)
Cash flows from investing activities	(9,326)	(13,867)	(19,917)
III Cash flows from financing activities			
Increase(decrease) in short-term debt	(2,114)	35,000	(3,787)
Increase of long-term debt	-	-	432
Buyback of treasury stock	(19)	(12,627)	(20,004)
Dividends paid	(2,842)	(3,180)	(5,278)
Cash flows from financing activities	(4,976)	19,191	(28,637)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	182	409	516
V Change in Cash and Cash Equivalents	6,744	39,187	(4,914)
VI Cash and Cash Equivalents, Beginning of period	47,963	43,049	47,963
VII Cash and Cash Equivalents, End of period	54,708	82,236	43,049

Notes:**Relating to balance sheet**

I Accumulated depreciation of tangible assets

(Millions of yen)

	Interim year ended September 2006 (As of September 30, 2006)	Interim year ended September 2007 (As of September 30, 2007)	Year ended March 2007 (As of March 31, 2007)
Accumulated depreciation of tangible assets	191,436	200,467	196,452

II Matured bills at the end of the period

The last day of each accounting period was a holiday of banking institutions, and the bills reaching maturity on the day, mentioned below, are included in the ending balance of the accounting period.

(Millions of yen)

	Interim year ended September 2006 (As of September 30, 2006)	Interim year ended September 2007 (As of September 30, 2007)	Year ended March 2007 (As of March 31, 2007)
Trade notes receivable	694	416	415

Relating to statement of income

I Main items among selling, general and administrative expenses

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
Promotion and Advertisement fee	4,428	4,782	10,236
Transportation and Packaging cost	3,845	4,368	7,997
Salaries	11,100	12,245	22,074
Provision for bonuses	2,006	2,653	4,755
Pension	742	775	1,611
Depreciation	1,438	1,669	3,027

II R&D expenditure

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
R&D expenditure	7,771	7,783	16,792

III Itemized statement of Gain on sales and Loss on disposal of assets

Gains on sales of fixed assets

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
Land	33	-	33
Machinery and transportation equipment	8	1	9
Other tangible fixed assets	-	0	0
Total Gains on sales of fixed assets	42	1	43

Loss on disposal of fixed assets

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
Land	-	-	12
Buildings and structures	12	22	18
Machinery and transportation equipment	18	86	68
Other tangible fixed assets	25	22	95
Total Loss on disposal of fixed assets	57	131	195

Relating to statement of cash flows

Reconciliation of cash and cash equivalents on the semiannual consolidated balance sheet.

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Year ended March 2007
Cash on hand and in banks	55,407	85,138	44,536
Time deposits, bonds and other with original maturity exceeding a three-month period	(698)	(2,902)	(1,487)
Cash and cash equivalents	54,708	82,236	43,049

Relating to Statement of changes in net assets

I Category and total number of issued stock and treasury stock

(Thousand)

	Beginning balance	Increase during this interim period	Decrease during this interim period	Ending balance
Issued stock : Common stock	210,876	-	-	210,876
Treasury stock : Common stock	12,087	2,505	-	14,593

*Note : The increase of treasury stock is from buyback in the stock market and taking up odd stock.

II Items on dividend

(1) Delivery of dividends

(Resolution)	Category of stock	Dividend (millions yen)	Dividend per share (yen)	Dividend record date	Effective date
Annual meeting of stockholders held on June 28, 2007	Common stock	3,180	16	March 31,2007	June 29,2007

(2) Dividend recorded in this interim period but effective after the period end

(Resolution)	Category of stock	Dividend (millions yen)	Source of dividend	Dividend per share (yen)	Dividend record date	Effective date
Board of directors held on Oct 29, 2007	Common stock	2,747	Retained earnings	14	September 30,2007	December 10,2007

6. Segment Information

(1) Segment

(Millions of yen)

	Interim year ended September 2006	Interim year ended September 2007	Changes
General hospital products			
Sales	65,829	74,050	8,221
Operating income	12,351	15,262	2,911
Operating income ratio	18.8%	20.6%	—
Catheter and Cardiovascular system			
Sales	52,771	61,595	8,823
Operating income	17,777	19,424	1,647
Operating income ratio	33.7%	31.5%	—
Home health care products			
Sales	14,068	15,189	1,120
Operating income	3,834	4,610	776
Operating income ratio	27.3%	30.4%	—

(Note) Corporate expenses are not eliminated.

(2) Sales results by product segment

(Millions of yen)

	Interim year ended September 2006		Interim year ended September 2007		Changes %
	Amount	%	Amount	%	
Disposable medical equipment	38,233	28.8%	42,030	27.9%	9.9%
Pharmaceuticals	18,363	13.8%	20,559	13.6%	12.0%
Blood transfusion system	9,232	7.0%	11,460	7.6%	24.1%
General hospital products	65,829	49.6%	74,050	49.1%	12.5%
Catheter system	30,277	22.8%	37,629	24.9%	24.3%
Cardiovascular system	17,625	13.3%	19,014	12.6%	7.9%
Vascular grafts	4,868	3.7%	4,950	3.3%	1.7%
Catheter and Cardiovascular system	52,771	39.8%	61,595	40.8%	16.7%
CAPD system	3,637	2.7%	3,609	2.4%	-0.8%
Diabetes care products	5,925	4.5%	6,977	4.6%	17.8%
Other products	4,505	3.4%	4,602	3.1%	2.2%
Home health care products	14,068	10.6%	15,189	10.1%	8.0%
Total	132,669	100.0%	150,835	100.0%	13.7%

(Note) Main Products belonging to each product segment

Product segment	Main Products
Disposable medical equipment	Syringe, Needle, Solution Administration set, I.V.catheter, Blood collection tube, Electronic medical devices, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringe, Nutritional products, etc.
Blood transfusion system	Blood bags, Blood transfusion administration set, medical electronic devices for blood collection, etc.
Catheter system	PTCA dilation catheters, Coronary stent, Guide wire, Angiographic catheters, Coated coil, etc.
Cardiovascular system	Roller pump, Hollow fiber oxygenators, Blood circuit, etc.
Artificial vascular grafts	Artificial vascular grafts
CAPD system	Dialysis solution, etc.
Diabetes care products	Blood glucose monitor, etc.
Other products	Home oxygen system, Digital Thermometers, Electronic sphygmomanometers, etc.

(3) Sales results by region

(Millions of yen)

	Interim year ended September 2006		Interim year ended September 2007		Changes Amount
	Amount	%	Amount	%	
Japan	73,828	55.6%	79,517	52.7%	5,689
Europe	22,750	17.2%	27,310	18.1%	4,559
America	24,699	18.6%	28,859	19.1%	4,159
Asia and others	11,390	8.6%	15,148	10.1%	3,757
Total	132,669	100.0%	150,835	100.0%	18,166